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|                             |   |                        |   |
|-----------------------------|---|------------------------|---|
| <b>State:</b>               | District of Columbia                                      | <b>Filing Company:</b> | Transguard Insurance Company of America, Inc. |
| <b>TOI/Sub-TOI:</b>         | 20.0 Commercial Auto/20.0000 Commercial Auto Combinations |                        |   |
| <b>Product Name:</b>        | ISO Adoption - Loss Costs                                 |                        |   |
| <b>Project Name/Number:</b> | /   |                        |   |

## Filing at a Glance

|                           |   |
|---------------------------|---|
| Company:                  | Transguard Insurance Company of America, Inc. |
| Product Name:             | ISO Adoption - Loss Costs                     |
| State:                    | District of Columbia                          |
| TOI:                      | 20.0 Commercial Auto                          |
| Sub-TOI:                  | 20.0000 Commercial Auto Combinations          |
| Filing Type:              | Rate  |
| Date Submitted:           | 01/14/2020                                    |
| SERFF Tr Num:             | OCCD-132219892                                |
| SERFF Status:             | Submitted to State                            |
| State Tr Num:             |   |
| State Status:             |   |
| Co Tr Num:                | 20-25   |
| Effective Date            | 02/01/2020                                    |
| Requested (New):          |   |
| Effective Date            | 02/01/2020                                    |
| Requested (Renewal):      |   |
| Author(s):                | Wendy Jacobs                                  |
| Reviewer(s):              |   |
| Disposition Date:         |   |
| Disposition Status:       |   |
| Effective Date (New):     |   |
| Effective Date (Renewal): |   |

**State:** District of Columbia **Filing Company:** Transguard Insurance Company of America, Inc.  
**TOI/Sub-TOI:** 20.0 Commercial Auto/20.0000 Commercial Auto Combinations  
**Product Name:** ISO Adoption - Loss Costs  
**Project Name/Number:** /

## General Information

Project Name: Status of Filing in Domicile:  
Project Number: Domicile Status Comments:  
Reference Organization: ISO Reference Number: CA-2019-BRLA1  
Reference Title: DISTRICT OF COLUMBIA REVISED  
COMMERCIAL AUTO ADVISORY PROSPECTIVE LOSS  
COSTS, INCLUDING NON-OWNERSHIP LIABILITY TO BE  
IMPLEMENTED Advisory Org. Circular: LI-CA-2019-146  
Filing Status Changed: 01/14/2020  
State Status Changed: Deemer Date:  
Created By: Wendy Jacobs Submitted By: Wendy Jacobs  
Corresponding Filing Tracking Number:

### Filing Description:

At this time, we are filing to adopt the loss costs found in ISO Reference Filing Number CA-2019-BRLA1, approval date of June 4, 2019, without modification, resulting in a 4.2% rate impact.

We are not revising our previously approved loss cost multiplier at this time.

We request an effective date of February 1, 2020 for new business and renewal business.

## Company and Contact

### Filing Contact Information

Wendy Jacobs, State Filing Analyst wjacobs@ofc-wic.com  
702 Oberlin Rd 919-833-1600 [Phone] 5529 [Ext]  
Raleigh, NC 27605

### Filing Company Information

|   |                         |                                     |
|---|-------------------------|-------------------------------------|
| Transguard Insurance Company of America, Inc. | CoCode: 28886           | State of Domicile: Illinois         |
| 215 Shuman Boulevard, Suite 400               | Group Code: 225         | Company Type: Property and Casualty |
| Naperville, IL 60563                          | Group Name: IAT Group   | State ID Number:                    |
| (919) 833-1600 ext. [Phone]                   | FEIN Number: 36-3529298 |                                     |

## Filing Fees

Fee Required? No  
Retaliatory? No  
Fee Explanation:

|                             |   |                        |   |
|-----------------------------|---|------------------------|---|
| <b>State:</b>               | District of Columbia                                      | <b>Filing Company:</b> | Transguard Insurance Company of America, Inc. |
| <b>TOI/Sub-TOI:</b>         | 20.0 Commercial Auto/20.0000 Commercial Auto Combinations |                        |   |
| <b>Product Name:</b>        | ISO Adoption - Loss Costs                                 |                        |   |
| <b>Project Name/Number:</b> | /   |                        |   |

## Rate Information

Rate data applies to filing.

|  |                |
|--|----------------|
| <b>Filing Method:</b>                            | File and Use   |
| <b>Rate Change Type:</b>                         | Increase       |
| <b>Overall Percentage of Last Rate Revision:</b> | 0.000%         |
| <b>Effective Date of Last Rate Revision:</b>     | 10/01/2018     |
| <b>Filing Method of Last Filing:</b>             | File and Use   |
| <b>SERFF Tracking Number of Last Filing:</b>     | OCCD-131646514 |

## Company Rate Information

| Company Name:                                 | Overall % Indicated Change: | Overall % Rate Impact: | Written Premium Change for this Program: | Number of Policy Holders Affected for this Program: | Written Premium for this Program: | Maximum % Change (where req'd): | Minimum % Change (where req'd): |
|---|-----------------------------|------------------------|--|---|-----------------------------------|---------------------------------|---------------------------------|
| Transguard Insurance Company of America, Inc. | 4.200%                      | 4.200%                 | \$0                                      | 0   | \$0                               | 4.200%                          | 4.200%                          |

|                             |   |                        |   |
|-----------------------------|---|------------------------|---|
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| <b>TOI/Sub-TOI:</b>         | 20.0 Commercial Auto/20.0000 Commercial Auto Combinations |                        |   |
| <b>Product Name:</b>        | ISO Adoption - Loss Costs                                 |                        |   |
| <b>Project Name/Number:</b> | /   |                        |   |

## Supporting Document Schedules

|                         |                          |
|-------------------------|--------------------------|
| <b>Bypassed - Item:</b> | Consulting Authorization |
| <b>Bypass Reason:</b>   | N/A                      |
| <b>Attachment(s):</b>   |                          |
| <b>Item Status:</b>     |                          |
| <b>Status Date:</b>     |                          |

|                         |                               |
|-------------------------|-------------------------------|
| <b>Bypassed - Item:</b> | Actuarial Certification (P&C) |
| <b>Bypass Reason:</b>   | N/A                           |
| <b>Attachment(s):</b>   |                               |
| <b>Item Status:</b>     |                               |
| <b>Status Date:</b>     |                               |

|                          |  |
|--------------------------|--|
| <b>Satisfied - Item:</b> | District of Columbia and Countrywide Experience for the Last 5 Years (P&C) |
| <b>Comments:</b>         | Please see the attached Premium & Loss Exhibits.                           |
| <b>Attachment(s):</b>    | P&L Liability.pdf<br>P&L Physical Damage.pdf                               |
| <b>Item Status:</b>      |  |
| <b>Status Date:</b>      |  |

|                         |  |
|-------------------------|--|
| <b>Bypassed - Item:</b> | District of Columbia and Countrywide Loss Ratio Analysis (P&C) |
| <b>Bypass Reason:</b>   | N/A  |
| <b>Attachment(s):</b>   |  |
| <b>Item Status:</b>     |  |
| <b>Status Date:</b>     |  |

|                          |                                       |
|--------------------------|---------------------------------------|
| <b>Satisfied - Item:</b> | Cover Letter                          |
| <b>Comments:</b>         | Please see the attached Cover Letter. |
| <b>Attachment(s):</b>    | Cover 20-25 District of Columbia.pdf  |
| <b>Item Status:</b>      |                                       |
| <b>Status Date:</b>      |                                       |

|                          |                                |
|--------------------------|--------------------------------|
| <b>Satisfied - Item:</b> | Reference Filing Adoption Form |
| <b>Comments:</b>         |                                |
| <b>Attachment(s):</b>    | DCRFAF.pdf                     |
| <b>Item Status:</b>      |                                |

|                          |                |                          |  |                            |       |
|--------------------------|----------------|--------------------------|--|----------------------------|-------|
| <b>SERFF Tracking #:</b> | OCCD-132219892 | <b>State Tracking #:</b> |  | <b>Company Tracking #:</b> | 20-25 |
|--------------------------|----------------|--------------------------|--|----------------------------|-------|

|                             |   |                        |   |
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| <b>Product Name:</b>        | ISO Adoption - Loss Costs                                 |                        |   |
| <b>Project Name/Number:</b> | /   |                        |   |

|                     |  |
|---------------------|--|
| <b>Status Date:</b> |  |
|---------------------|--|

**TRANSGUARD INSURANCE COMPANY OF AMERICA,  
INC  
PREMIUM & LOSS EXHIBIT**

**COMMERCIAL AUTO**

**DISTRICT OF COLUMBIA - LIABILITY**

|      | (A)<br>Direct<br>Premiums<br>Written | (B)<br>Direct<br>Premiums<br>Earned | (C)<br>Direct<br>Losses<br>Incurred | (D)<br>Loss Ratio |
|------|--------------------------------------|-------------------------------------|-------------------------------------|-------------------|
| 2018 | \$0                                  | \$0                                 | \$0                                 | 0.00%             |
| 2017 | \$0                                  | \$0                                 | \$0                                 | 0.00%             |
| 2016 | \$0                                  | \$0                                 | \$0                                 | 0.00%             |
| 2015 | \$0                                  | \$0                                 | \$0                                 | 0.00%             |
| 2014 | \$0                                  | \$0                                 | \$0                                 | 0.00%             |

**COUNTRYWIDE - LIABILITY**

|      | (A)<br>Direct<br>Premiums<br>Written | (B)<br>Direct<br>Premiums<br>Earned | (C)<br>Direct<br>Losses<br>Incurred | (D)<br>Loss Ratio |
|------|--------------------------------------|-------------------------------------|-------------------------------------|-------------------|
| 2018 | \$56,985                             | \$55,945                            | \$24,492                            | 43.78%            |
| 2017 | \$52,966                             | \$49,224                            | \$19,672                            | 39.96%            |
| 2016 | \$45,219                             | \$44,471                            | \$15,502                            | 34.86%            |
| 2015 | \$41,308                             | \$41,022                            | \$3,462                             | 8.44%             |
| 2014 | \$38,172                             | \$37,056                            | \$11,875                            | 32.05%            |

**TRANSGUARD INSURANCE COMPANY OF AMERICA,  
INC  
PREMIUM & LOSS EXHIBIT**

**COMMERCIAL AUTO**

**DISTRICT OF COLUMBIA - PHYSICAL DAMAGE**

|      | (A)<br>Direct<br>Premiums<br>Written | (B)<br>Direct<br>Premiums<br>Earned | (C)<br>Direct<br>Losses<br>Incurred | (D)<br>Loss Ratio |
|------|--------------------------------------|-------------------------------------|-------------------------------------|-------------------|
| 2018 | \$0                                  | \$0                                 | \$0                                 | 0.00%             |
| 2017 | \$0                                  | \$0                                 | \$0                                 | 0.00%             |
| 2016 | \$0                                  | \$0                                 | \$0                                 | 0.00%             |
| 2015 | \$0                                  | \$0                                 | \$0                                 | 0.00%             |
| 2014 | \$0                                  | \$0                                 | \$0                                 | 0.00%             |

**COUNTRYWIDE - PHYSICAL DAMAGE**

|      | (A)<br>Direct<br>Premiums<br>Written | (B)<br>Direct<br>Premiums<br>Earned | (C)<br>Direct<br>Losses<br>Incurred | (D)<br>Loss Ratio |
|------|--------------------------------------|-------------------------------------|-------------------------------------|-------------------|
| 2018 | \$21,740                             | \$21,376                            | \$12,554                            | 58.73%            |
| 2017 | \$18,939                             | \$17,979                            | \$11,580                            | 64.41%            |
| 2016 | \$17,509                             | \$17,204                            | \$10,117                            | 58.81%            |
| 2015 | \$15,765                             | \$15,496                            | \$8,508                             | 54.90%            |
| 2014 | \$11,733                             | \$11,329                            | \$5,977                             | 52.76%            |





# Transguard Insurance Company of America

702 OBERLIN ROAD, BOX 10800, RALEIGH, NORTH CAROLINA 27605 (919) 833-1600 1-800-525-7486 (National) 1-800-342-0753 (In N.C.)

January 14, 2020

Stephen C. Taylor, Insurance Commissioner  
Department of Insurance, Securities, & Banking (DISB)  
1050 First Street, NE, Suite #801  
Washington, D.C. 20002

Re: NAIC #: 28886 FEIN#: 36-3529298  
Transguard Insurance Company of America  
Commercial Auto  
Filing #20-25 Loss Cost

Dear Honorable Commissioner Taylor:

TransGuard Insurance Company of America, Inc. is a subscriber of the Insurance Services Office (ISO) and has authorized them to file rules and forms on our behalf to the extent permitted by law.

At this time, we are filing to adopt the loss cost in ISO Designation Number CA-2019-BRLA1, approval date June 14, 2019, with an overall rate impact of +4.2%.

We request an effective date of February 1, 2020 for new business and for renewal business.

If you have any questions, please feel free to contact me at (800) 525-7486 ext. 5529 or by email at [wendy.jacobs@iatinsurance.com](mailto:wendy.jacobs@iatinsurance.com)

Sincerely,

**Wendy Jacobs**   
Digitally signed by Wendy Jacobs  
DN: cn=Wendy Jacobs, o=IAT Insurance Group, ou,  
email=wendy.jacobs@iatinsurance.com, c=US  
Date: 2020.01.13 16:14:58 -05'00'

Wendy Jacobs  
Product Compliance Analyst  
IAT INSURANCE GROUP

Space Reserved for Insurance  
Administrative Use

**DISTRICT OF COLUMBIA  
INSURER RATE FILING  
ADOPTION OF RATING ORGANIZATION  
PROSPECTIVE LOSS COSTS  
REFERENCE FILING ADOPTION FORM**

1. INSURER NAME Transguard Insurance Company of America, Inc.  
ADDRESS 702 Oberline Road, ,  
Raleigh  
NC  
27605

PERSON RESPONSIBLE FOR FILING Wendy Jacobs

TITLE Product Compliance Analyst TELEPHONE # 919-747-5529

2. INSURER NAIC # 28886

3. LINE OF INSURANCE Commercial Auto - Liability, Physical Damage

4. RATING ORGANIZATION NAME ISO

5. RATING ORGANIZATION REFERENCE FILING # CA-2019-BRLA1

6. The above insurer hereby declares that it is a member, subscriber or service purchaser of the named rate organization for this line of insurance. The insurer hereby files to be deemed to have independently submitted as its own filing the prospective loss costs in the captioned Reference Filing.

The insurer's rates will be the combination of the prospective loss costs and the loss cost multipliers and, if utilized, the expense constants specified in the attachments.

7. PROPOSED RATE LEVEL CHANGE +4.2 % EFFECTIVE DATE 02/01/2020

8. PRIOR RATE LEVEL CHANGE 0.0 % EFFECTIVE DATE 10/01/2018

9. ATTACH - "CALCULATION OF COMPANY LOSS COST MULTIPLIER" FORM  
(With or without expense constraints as appropriate. Use a separate  
Form for each insurer-selected loss cost multiplier.)

- "EXPENSE INFORMATION WORKSHEETS"
- "DISTRICT OF COLUMBIA INVESTMENT INCOME WORKSHEETS"
- "MOTOR VEHICLE RATE AND RULE FILING CERTIFICATION" and  
"PREMIUM SURVEY FORM" (For Commercial and Personal Auto filings only.)

10. CHECK ONE OF THE FOLLOWING:

☒ The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable to future revisions of the rating organization's prospective loss costs for this line of insurance. The rates will apply to policies written on or after the effective date of the rating organization's prospective loss costs. This authorization is effective until disapproved by the Superintendent of insurance, or amended or withdrawn by the insurer.

☐ The insurer hereby files to have its loss cost multipliers and, if utilized, expense constants be applicable only to the above Rating Organization Reference Filing.

Insurer Name: \_\_\_\_\_  
NAIC Number: \_\_\_\_\_

Date: \_\_\_\_\_

**DISTRICT OF COLUMBIA  
INSURER RATE FILING  
ADOPTION OF RATING ORGANIZATION PROSPECTIVE LOSS COSTS**

**CALCULATION OF COMPANY LOSS COST MULTIPLIER WITH EXPENSE CONSTANT**

All data is to be expressed in decimal form. For example, 6.8% should be shown as 0.068; 21.7% as 0.217.

1. Line, Subline, Coverage, Class, etc. combination to which this page applies: \_\_\_\_\_

2. Loss Cost Modification Expressed as a Factor:  
(See examples below.) \_\_\_\_\_

3. Development of Expected Loss Ratio. (Attach District of Columbia Expense Information Worksheet and/or other supporting information.)

|                             | Overall | Prospective Provisions<br>Variable | Fixed |
|-----------------------------|---------|------------------------------------|-------|
| A. Total Production Expense | _____   | _____                              | _____ |
| B. General Expense          | _____   | _____                              | _____ |
| C. Taxes, Licenses & Fees   | _____   | _____                              | _____ |
| D. Profit & Contingencies   | _____   | _____                              | _____ |
| E. Other (explain)          | _____   | _____                              | _____ |
| F. TOTAL                    | _____   | _____                              | _____ |

4. A. Expected Loss Ratio: ELR=100% - Overall 3F = \_\_\_\_\_

B. Variable Expected Loss Ratio VELR=1.000 - Variable 3F = \_\_\_\_\_

C. Provision for Investment Income = \_\_\_\_\_  
(Attach District of Columbia Worksheets)

5. Formula Expense Constant:

$$\frac{1.00}{(\text{Line 4A}) \times (\text{Line 4C})} - \frac{1.00}{(\text{Line 4B}) \times (\text{Line 4C})} \times \text{Average Underlying Loss Cost} = \underline{\hspace{2cm}}$$

Formula Variable Loss Cost Multiplier:  $\frac{\text{Line 2}}{(\text{Line 4B}) \times (\text{Line 4C})} = \underline{\hspace{2cm}}$

6. Selected Expense Constant = \_\_\_\_\_

Selected Variable Loss Cost Multiplier = \_\_\_\_\_

7. Explain any differences between 5 and 6, which may include alternate methods of calculating and reflecting investment income.:  
\_\_\_\_\_

8. Rate level change for the coverages to which this page applies \_\_\_\_\_ %

Examples: If your company's loss cost modification is -10%, show a factor of .90 (1.000 - .100). If it is +15%, show a factor of 1.15 (1.000 + .150).

Insurer Name: \_\_\_\_\_  
NAIC Number: \_\_\_\_\_

Date: \_\_\_\_\_

**DISTRICT OF COLUMBIA  
INSURER RATE FILING  
ADOPTION OF RATING ORGANIZATION PROSPECTIVE LOSS COSTS**

**CALCULATION OF COMPANY LOSS COST MULTIPLIER WITHOUT EXPENSE CONSTANT**

All data is to be expressed in decimal form. For example, 6.8% should be shown as 0.068, 21.7% as 0.217.

1. Line, Subline, Coverage, Class, etc. combination to which this page applies:

\_\_\_\_\_

2. Loss Cost Modification Expressed as a Factor:  
(See examples below.)

\_\_\_\_\_

3. Expected Loss Ratio (From Expense Information Worksheet) =

\_\_\_\_\_

4. Provision for investment income =  
(Attach District of Columbia Worksheets)

\_\_\_\_\_

5. Company Formula Loss Cost Multiplier:  $\frac{\text{Line 2}}{(\text{Line 3}) \times (\text{Line 4})} =$

\_\_\_\_\_

6. Company Selected Loss Cost Multiplier =

\_\_\_\_\_

Explain any differences between 5 and 6, which may include alternate methods of calculating and reflecting investment income:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. Rate level change for the coverages to which this page applies

\_\_\_\_\_ %

Examples: If your company's loss cost modification is -10%, show a factor of .90 (1.000 - .100). If it is +15%, show a factor of 1.15 (1.000 + .150).